

COASTAL CONSERVANCY

Staff Recommendation

June 25, 2015

SKY RANCH ACQUISITION

Project No.14-039-01

Project Manager: Laura Cholodenko

RECOMMENDED ACTION: Authorization to disburse up to \$300,000 to the Marin County Open Space District to acquire the 16-acre Sky Ranch property adjacent to the Bald Hill Open Space Preserve and Marin Municipal Water District land in Marin County.

LOCATION: Towns of San Anselmo and Fairfax, Marin County (Exhibit 1)

PROGRAM CATEGORY: San Francisco Bay Area Conservancy

EXHIBITS

Exhibit 1: [Project Location Map](#)

Exhibit 2: [Maps and Photographs](#)

Exhibit 3: [Conservation Lands Network Report](#)

Exhibit 4: [Project Letters](#)

RESOLUTION AND FINDINGS:

Staff recommends that the State Coastal Conservancy adopt the following resolution pursuant to Sections 31160–31165 of the Public Resources Code:

“The State Coastal Conservancy hereby authorizes disbursement of up to three hundred thousand dollars (\$300,000) to the Marin County Open Space District (MCOSD) to acquire fee title to the 16-acre property known as Sky Ranch (Assessor Parcel Numbers 002-181-21, 007-071-01, and 007-064-43) (“property”), as shown in Exhibit 2 to the accompanying staff recommendation.

This authorization is subject to the following conditions:

1. Prior to disbursement of any funds for acquisition of the property, MCOSD shall submit for the review and approval of the Executive Officer of the Conservancy (Executive Officer) all relevant acquisition documents, including the appraisal, agreement of purchase and sale, escrow instructions, deeds, and documents of title.
2. MCOSD shall not pay more than fair market value for the property acquired pursuant to this authorization, as established in an appraisal approved by the Executive Officer.

3. MCOSD shall permanently dedicate the property for the purposes of protecting open space, preserving and enhancing wildlife habitat and water quality, and providing compatible public use, through an appropriate instrument approved by the Executive Officer.
4. Conservancy funding shall be acknowledged by erecting and maintaining a sign on the property or in a nearby public staging area, the design and location of which to be approved by the Executive Officer.”

Staff further recommends that the Conservancy adopt the following findings:

“Based on the accompanying staff report and attached exhibits, the State Coastal Conservancy hereby finds that:

1. The proposed authorization is consistent with Chapter 4.5 of Division 21 of the Public Resources Code (Sections 31160 *et seq.*), regarding the Conservancy’s mandate to address the resource and recreational goals of the San Francisco Bay Area.
2. The proposed project is consistent with the Project Selection Criteria and Guidelines adopted by the Conservancy Board on October 2, 2014.”

PROJECT SUMMARY:

Conservancy staff recommends disbursement of up to \$300,000 to the Marin County Open Space District (MCOSD) to acquire the 16-acre Sky Ranch property adjacent to the Bald Hill Open Space Preserve and Marin Municipal Water District (MMWD) land in Marin County (Exhibit 2). Acquisition of this property will further MCOSD’s vision of completing Bald Hill Open Space Preserve, improving public access to existing open space areas, and provide opportunities for protection and enhancement of natural resources (Exhibit 3).

This acquisition is important not only because it will ensure the protection and enhancement of habitat and public access, but also because current ownership by the Marin Open Space Trust (MOST) needs to be transferred to an entity that has the experience and infrastructure to manage the property over the long term. MOST has agreed to sell the property to MCOSD as a bargain sale (see “Project History”), and is committed to removing dilapidated horse boarding facilities and rehabilitating those areas immediately after transfer of the property to MCOSD.

Historically, the property supported boarding for horses and other equestrian activities in a level area at the site and on the trails. MCOSD plans to allow continued day use of the property by equestrians. Concerns about continued horse boarding include waste management and water quality issues, as overland flows direct waters on the property toward Ross Valley Watershed streams.

A small section of the Sky Ranch property (0.24 acre) that is prone to landslides will be conveyed to an adjacent, downhill landowner. A deed restriction will prohibit residential or commercial development of the new parcel. The transfer will have no effect on the value of Sky Ranch, reduces liability for MCOSD, and promotes the overall public interest.

Acquisition of Sky Ranch by MCOSD will enhance public access to the property, on the property, and to neighboring properties. There will be limited street parking at Sky Ranch, but there is more parking, with restrooms and developed picnicking facilities, at neighboring Deer

Park, managed by MMWD. This acquisition would make it possible to park at Deer Park and walk through those protected lands into Sky Ranch and Bald Hill Open Space, and much farther down the slopes to Golden Gate National Recreation Area and Mount Tamalpais State Park. Further, MCOSD plans to carry out improvements to existing roads and trails and infrastructure on the property. Some of the service roads are suffering from erosion and gullyng.

MCOSD is dedicated to preserving, protecting, and enriching the natural beauty of Marin's open spaces, and providing recreational opportunities. MCOSD manages 34 open space preserves that together total nearly 16,000 acres and contain approximately 249 miles of roads and trails. Preserves are managed primarily for natural resource preservation and support trail use by pedestrians, mountain bikers, and equestrians.

Site Description: Sky Ranch consists of three contiguous parcels of land, totaling approximately 16 acres. It is located within the incorporated boundaries of the towns of Fairfax and San Anselmo in Marin County. The steep, forested slopes of the hills surrounding Mt. Tamalpais dominate the viewshed to the south and southwest. Land use surrounding the property is a mix of residential and protected open space. The Bald Hill Open Space Preserve borders the property to the south/southeast; Deer Park and protected open space owned by MMWD borders to the south/southwest; undeveloped properties and residential neighborhoods dominate to the east/northeast and southeast (Exhibit 2). The property is not within either a 100-year or 500-year flood zone, and elevations range from 350 feet to approximately 700 feet above mean sea level.

The property appears to have historically been part of the greater area's Mexican land grants, Rancho Punta de Quentin and Rancho Canada de Herrera, which were reportedly established in 1840 and 1839, respectively. Use of the property for equestrian purposes has continued to the present. Trails on the property connect with regional trails, such as those originating in Deer Park and other areas of MMWD land.

The property is currently developed for use as a horse ranch with several sheds/outbuildings, paddocks, stables, and a riding circle. These equestrian facilities are mostly in poor condition. A dirt and gravel driveway serves as the only public, vehicular access to the property, connecting with Crest Road and entering Sky Ranch through Parcel 1. There are at least two other dirt/gravel roads that traverse the interior of the property. A majority of the structures and equestrian uses occur in Parcel 1.

Parcel 2 is a mostly undeveloped parcel that slopes steeply to the south. It supports oak, bay, and madrone trees, annual grasses, chaparral scrub, and wildlife dependent on these habitats. Parcel 3 is a small, triangular-shaped wooded parcel, also without structures. A gated, dirt driveway is present near the bottom of Parcel 3.

Project History: In mid-2013, MCOSD learned that the Sky Ranch property was listed for sale. Staff contacted the sellers, but soon discovered that the property was already in contract with a private party. The potential sale fell through and the property went back on the market. In mid-2014, MOST entered into an agreement with the property owner and after community fundraising completed acquisition of the property in February of 2015. MCOSD subsequently entered into a purchase agreement with MOST to acquire the property from MOST. The appraised value is \$1,050,000, but MCOSD will acquire the property for \$630,000 through a bargain sale.

The MCOSD Board of Directors has already approved the resolution authorizing a possible grant agreement with the Conservancy, the acquisition purchase agreement with the owner, a Memorandum of Understanding with MOST (regarding property clean up and rehabilitation), and the use of local sales tax funding for the acquisition.

PROJECT FINANCING

Coastal Conservancy	\$300,000
MCOSD	\$347,900
Project Total	\$647,900

The anticipated source of Conservancy funds is a Fiscal Year 2014/15 appropriation to the Conservancy from the “California Clean Water, Clean Air, Safe Neighborhood Parks, and Coastal Protection Act of 2002” (Proposition 40). Conservancy funds will be applied toward the acquisition cost (\$630,000). These funds are available for San Francisco Bay Area Conservancy Program projects under Public Resources Code, Division 21, Chapter 4.5. See Public Resources Code Section 5096.650(b)(8). Proposition 40 grants must give priority to projects that include a commitment for a matching contribution. Matching funds include Marin County Measure A funds, a local sales tax that generates revenue for parks and open spaces. Matching funds will be applied toward both fee title acquisition costs and other associated acquisition costs. As discussed below, the purposes and goals of this project are consistent with Bay Program legislation and thus are consistent with the Conservancy funding source.

CONSISTENCY WITH CONSERVANCY’S ENABLING LEGISLATION:

The proposed project is consistent with Chapter 4.5 of Division 21 of the Public Resources Code, Sections 31160-31165, which state that the Conservancy may award grants in the nine-county San Francisco Bay Area to help achieve stated goals.

Consistent with Section 31162, this project will (a) improve public access to ridgetops and a ridge trail system, consistent with adopted master plans and general plans; and (b) protect connecting corridors, scenic areas, and open-space resources of regional importance. Consistent with Section 31163(a), the acquisition of the real property will be from willing sellers. Consistent with Section 31163(c), this project is 1) supported by adopted local and regional plans, such as the Marin Countywide Plan, which includes this property within a priority protection area, and the Marin County Parks and Open Space Strategic Plan, for “Central Marin Ridgeland,” which are also designated as a Priority Conservation Area under Plan Bay Area, 2) is multijurisdictional in that it is located in the towns of Fairfax and San Anselmo and will serve Marin County and the greater Bay Area, 3) can be implemented in a timely way as all other funds are secured, 4) provides the opportunity to complete the acquisition by the purchase agreement deadline of August 17, 2015, and 5) includes matching funds from the grantee (See “Project Financing,” above).

**CONSISTENCY WITH CONSERVANCY'S 2013
STRATEGIC PLAN GOAL(S) & OBJECTIVE(S):**

Consistent with **Goal 11, Objective B** of the Conservancy's 2013-2018 Strategic Plan, the proposed project will protect 16 acres of wildlife areas, connecting corridors, scenic areas, and other open-space resources of regional significance.

Consistent with **Goal 12, Objective C** of the Conservancy's 2013-2018 Strategic Plan, the acquisition of Sky Ranch will increase the amount of land that is accessible to the public and will provide corridors for trails.

**CONSISTENCY WITH CONSERVANCY'S
PROJECT SELECTION CRITERIA & GUIDELINES:**

The proposed project is consistent with the Conservancy's Project Selection Criteria and Guidelines, last updated on October 2, 2014, in the following respects:

Required Criteria

1. **Promotion of the Conservancy's statutory programs and purposes:** See the "Consistency with Conservancy's Enabling Legislation" section above.
2. **Consistency with purposes of the funding source:** See the "Project Financing" section above.
3. **Promotion and implementation of state plans and policies:** Sky Ranch is part of the Central Marin Ridglands Priority Conservation Area (PCA), meaning it has been identified through the Association of Bay Area Governments' regional assessment as an important area to conserve. The PCAs were designated as part of Plan Bay Area, the Bay Area's Sustainable Communities Strategy, a requirement of The Sustainable Communities and Climate Protection Act of 2008 (Senate Bill 375). Sky Ranch is also part of the Conservation Lands Network by the Bay Area Open Space Council (Exhibit 3) with a moderate conservation suitability index, due to nearby development and roads.
4. **Support of the public:** The project is supported by State Senator Mike McGuire, Assemblymember Marc Levine, Marin County Supervisor Katie Rice, San Anselmo Open Space Committee, Town of Fairfax Open Space Committee, equestrian groups, and others (Exhibit 4).
5. **Location:** The project is located in Marin County, within the nine-county San Francisco Bay Area.
6. **Need:** The acquisition cannot be completed without Conservancy participation.
7. **Greater-than-local interest:** Sky Ranch is contiguous on one side with the MMWD's Mt. Tamalpais Watershed, which adjoins the Golden Gate National Recreation area, and includes thousands of acres of preserved land that support water supply, recreational opportunities, and habitat preservation for the San Francisco Bay region.
8. **Sea level rise vulnerability:** Sky Ranch ranges from 350 feet to approximately 700 feet above mean sea level and thus is not vulnerable to sea level rise.

Additional Criteria

9. **Urgency:** Escrow must close by August 17, 2015.

10. **Resolution of more than one issue:** Acquisition of Sky Ranch will not only preserve the conservation and recreational values of the property, but will also facilitate improvements to water quality.
11. **Leverage:** See the “Project Financing” section above.
12. **Readiness:** MCOSD has a purchase agreement with MOST.
13. **Realization of prior Conservancy goals:** Sky Ranch is part of a Central Marin Ridge Lands Priority Conservation Area, which is a program the Conservancy supported in the last Plan Bay Area grant round.
14. **Cooperation:** The current property owner, MOST, will remove the dilapidated facilities on site immediately after the acquisition is complete. During escrow, neighboring land owners will take ownership of the small, landslide-prone area adjacent to their home.
15. **Vulnerability from climate change impacts other than sea level rise:** Sky Ranch is not especially vulnerable to climate change impacts, as all development is on level areas of the property, the property is largely wooded, and is not susceptible to flooding.

COMPLIANCE WITH CEQA:

Acquisition of the property is categorically exempt from the California Environmental Quality Act (CEQA) under 14 Cal. Code of Regulations Section 15313 because it constitutes an acquisition of land for wildlife conservation purposes and preserves access to public lands where the purpose of the acquisition is to preserve the land in its natural condition. The acquisition is similarly exempt pursuant to Section 15325 because the project involves a transfer of ownership in order to preserve existing natural conditions and open space. The transfer of the property is exempt pursuant to 14 Cal. Code of Regulations Section 15316, which exempts transfers of land for creation of parks where a management plan has not yet been prepared. For this site, there is no site-specific management plan. Finally, removal of the horse boarding facilities is exempt pursuant to 14 Cal. Code of Regulations Section 15301(l)(4) (minor alteration of existing facilities—demolition of appurtenant structures). Staff will file a Notice of Exemption upon approval. MCOSD has found the project to be exempt under Section 15325.